

PRESS RELEASE

Ad-hoc notification pursuant to Art. 53 Listing Regulations

Rotkreuz, 20 August 2021

## mobilezone achieves record result in the first half-year of 2021 – strong EBIT growth and increase in margins

- **Increase in organic sales by 9.7 percent to CHF 485 million**
- **Operating profit of CHF 32.2 million exceeds record result from 2019 by more than 36 percent.**
- **Net profit amounted to CHF 23.9 million (previous year: CHF 6.9 million).**

Markus Bernhard, CEO of the mobilezone group says: "We worked outstandingly in the first half year and exceeded all of our expectations and the estimates of the market by far – we are correspondingly confident looking ahead to the second half year and have adjusted our EBIT guidance by CHF 6 million to CHF 67 to 72 million."

### The most important figures

The following key figures exclude non-cash negative special effects to the amount of CHF 6 million from the sale of the wholesale business in January 2021.

- Organic sales development of plus 9.7 percent from CHF 442 to CHF 485 million; this includes a positive foreign exchange impact of 1.3 percent. The wholesale business of einsAmobile GmbH sold in January 2021 contributed CHF 146 million to sales in the first half-year of 2020 and mobiletouch austria GmbH, sold in December 2020, CHF 9 million. In the first half year of 2021, the share in sales of Switzerland was 33 percent and that of Germany 67 percent.
- Operating profit (EBIT) of CHF 32.2 million (previous year: CHF 9.0 million) with an EBIT margin of 6.6 percent (previous year: 1.5 percent) of which Switzerland contributed 47 percent and Germany 53 percent.
- At CHF 1.6 million (previous year: CHF 1.5 million), financial expenses remained stable.
- Tax expenses were CHF 7.0 million and increased by CHF 6.3 million compared to the previous year.
- Net profit was CHF 23.9 million (previous year: CHF 6.9 million).
- Free cash flow was CHF 38.3 million (previous year: CHF 31.0 million).
- Net debt amounted to CHF 103 million (31.12.2020: CHF 120 million). The ratio of net debt to EBITDA was 1.33 (31.12.2020: 2.22).

## **Market area Switzerland**

Business development in all sectors in Switzerland was highly gratifying:

- Sales in Switzerland grew from CHF 140 million to CHF 157 million or by 12.1 percent. This included in the previous year the activities sold in December 2020 in Austria with sales of CHF 9.3 million and an EBIT of CHF –0.2 million.
- EBIT increased from CHF 8.0 million to CHF 14.8 million, corresponding to sales profitability of 9.4 percent (previous year: 5.7 per cent).
- The number of shops remained unchanged in the first half-year of 2021 compared to the end of 2020 at 123 locations.
- At 182,000 (previous year: 150,000) contracts sold (Postpaid, Internet and TV), we succeeded in surpassing the previous year's figures, which were burdened due to COVID-19, by 21.3 percent and as a result were also above the value of the first half-year 2019.
- Revenue from services (fleet management, data transfer, setting up smartphones, and other services) amounted to CHF 3.6 million (previous year: CHF 2.9 million).
- Sales of accessories grew by 28.9 percent to CHF 11.6 million (previous year CHF 9.0 million).
- The repair business in Switzerland in the first half-year saw 67,500 devices repaired (previous year: 66,600 devices). 6,800 devices (previous year: 5,000) of customers were bought back by the mobilezone shops and processed for resale at get-jusit.ch.
- Sales at MVNO TalkTalk were CHF 8.5 million (previous year: CHF 8.0 million). In the postpaid SIM cards segment, the number of customers grew to 36,100 (previous year: 31,300) or by 15 percent. The EBIT of TalkTalk remained unchanged at CHF 2.4 million compared to the previous year.

## **Market area Germany**

Despite the Coronavirus-related lockdown, German business surprised to the upside: restructuring of the German companies has been concluded. The synergies relate both to sales as well as costs.

- Sales declined from CHF 458 million to CHF 327 million. The sales share of the wholesale business sold in January 2021 amounted to CHF 146 million in the previous year with a gross profit margin of 1.8 percent. Without the wholesale business, sales would have risen by CHF 15 million or 4.8 percent.
- EBIT increased from CHF 1.8 million to CHF 17.1 million. The previous year includes restructuring costs of CHF 5.4 million.
- Overall, "online" and in "B2B trade" over 464,000 (previous year: 499,000) mobile phone contracts were concluded. Business in "indirect B2B trade" continued to be burdened by the ongoing severe effects of the COVID 19 pandemic in the first half year. Many shops of business partners remained closed for several months.

- The focus in online business was to an increased extent on mobile phone contracts with higher margins. This resulted in an increase in the contribution margin overall and per contract by more than 15 percent; due to this focus, the number of contracts mediated in in online business declined slightly.
- Sales at MVNO HIGH amounted to CHF 8.5 million (previous year: CHF 6.5 million). The customer base increased to 64,000 (31.12.2020: 54,000).
- In November 2020, mobilezone launched a new e-commerce platform in the form of pricezilla.de, which uses the new shop tech architecture for marketing smartphones, tablets and accessories without subscriptions. Among other things, the focus in the first half-year of 2021 was on developing customer trust – this got off to a very good start with an evaluation of 4.93 out of 5 among almost 2,000 evaluations on the customer evaluation platform Trust Pilot. During the first months, with still restricted functionalities, 12,000 orders with sales of almost CHF 4 million had already been achieved on pricezilla.de.
- The completed restructuring of the German companies resulted in positive synergy effects of more than EUR 5 million p.a.

#### **Dividends, share price and earnings per share**

At the annual general meeting of 7 April 2021, the shareholders of the mobilezone Group decided on a dividend of CHF 0.56 (previous year: CHF 0.60) per share, which was paid on 16 April 2021.

Earnings per share in the first half-year of 2021 developed positively: it was CHF 0.53 (previous year: CHF 0.16) The share price also developed positively: On 30 June 2021 it was CHF 10.88 compared to CHF 8.23 at the end of the previous year.

#### **Confident outlook for the second half-year 2021 – guidance raised**

The very good half-year result of mobilezone confirmed the mobilezone Group's resilient business model. It facilitated sustainable business development even during extraordinary times. mobilezone is correspondingly confident for the second half year looking ahead for all business segments in Germany and Switzerland.

The EBIT expectation for the 2021 financial year communicated in March 2021 was raised by CHF 6 million to CHF 67 million to 72 million, at an EBIT margin of approximately 7 percent. For the following years, mobilezone confirms its medium/long-term objective of continuous improvement in the operating margin from 20 to 30 base points p.a. The estimates are based on a continuous improvement in the global pandemic position.

## Key figures for the mobilezone Group

Million CHF	H1 2021	H1 2020
Pro-forma figures without sold wholesale business and mobiletouch austria GmbH:		
Net sales	484.5	442.1
Gross profit	92.1	72.0
<i>in % of the net sales</i>	19.0%	16.3%
Operating profit (EBIT) adjusted for special effect <sup>1</sup>	32.2	9.2
<i>in % of the net sales</i>	6.6%	2.0%
Net profit adjusted for special effect <sup>1</sup>	23.9	7.1
<i>in % of the net sales</i>	4.9%	1.6%
Swiss GAAP FER:		
Net sales	484.5	597.4
Gross profit	92.1	77.6
<i>in % of the net sales</i>	19.0%	13.0%
Operating profit (EBIT)	26.1	9.0
<i>in % of the net sales</i>	5.4%	1.5%
Net profit	17.9	7.0
<i>in % of the net sales</i>	3.7%	1.2%
Net cash flow from operating activities	45.1	35.9
Investments	6.8	4.9
Free cash flow before acquisitions/ divestments	38.3	31.0
	<b>30.06.2021</b>	<b>31.12.2020</b>
Number of full-time employees	1 002	1 127
Number of shops Switzerland	123	123

<sup>1</sup> without non-cash influencing effect resulting from the sale of wholesale, in the amount of CHF 6 million during the reporting period.

### **Presentation for analysts, investors and media representatives**

The 2021 Semi-annual report and a video presentation are now available at <http://www.mobilezoneholding.ch/en/investors-1/reports-and-presentations.html> A video conference for analysts, investors and media representatives will take place via MS Teams at 9:15 this morning. The conference language is German. You can register at the following link: <https://tinyurl.com/2jxwubb3>

### **Contact for media**

Markus Bernhard  
CEO mobilezone holding ag  
[mobilezoneholding@mobilezone.ch](mailto:mobilezoneholding@mobilezone.ch)

### **About mobilezone**

mobilezone holding ag, founded in 1999 (Ticker symbol SIX: MOZN) with sales of CHF 1,237 million and a net profit of CHF 34.5 million in the reporting year 2020 the leading independent Swiss and German telecommunication specialist.

The mobilezone Group employs around 1,000 staff at its sites in Rotkreuz, Urnäsch, Zweidlen, Berlin, Bochum, Cologne and Münster. Its product range includes a complete assortment of mobile phones and tariff plans for mobile and fixed-line telephony, digital TV and Internet from all providers. Providing independent consulting and services for private and business customers, providing repair services and supplying specialist retailers round out its product range. The services and products are provided online via various web portals and in over 120 shops of its own in Switzerland.

[www.mobilezoneholding.ch](http://www.mobilezoneholding.ch)